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### **State Offers \$30 Million of General Obligation Bonds**

Montpelier -- The Vermont State Treasurer's Office announces the offering of \$30 million of State of Vermont General Obligation Bonds 2005 Series D through a competitive bid process. Merrill Lynch was awarded the Bonds on the basis of the lowest true interest cost of 4.384%. The Bonds are being issued with serial maturities ranging from July 15, 2006, to July 15, 2025, and have an average life of 12.65 years.

“Vermont has the highest rated general obligation debt in New England at the highest level of the double-A category from all three major bond rating agencies,” said State Treasurer Jeb Spaulding. “This allows the State to issue its debt at favorable interest rates. The yields on most maturities of these bonds were less than 5 basis points over triple-A yields, which indicates that Vermont’s debt is highly sought after by investors.”

In early December, the State is scheduled to offer an additional \$15 million of its General Obligation 2005 Series E Citizens Bonds. The Citizens Bonds will be offered in denominations as low as \$1,000 and will mature serially from July 15, 2006, through July 15, 2015. This Citizens Bonds offering will complete the issuance of \$45 million of State General Obligation Debt authorized for issuance for the State’s Fiscal Year ending June 30, 2006.

The Treasurer’s Office often receives requests as to how to purchase State of Vermont Bonds. Individual investors interested in purchasing Citizens Bonds should contact a broker with a Vermont location such as Advest, A.G. Edwards, Charles Schwab, Citigroup, Edward Jones, Merrill Lynch, Morgan Stanley, UBS, and Wachovia Securities.